

**FISCAL YEAR (FY) 2006-07  
BUDGET ACT ALLOCATION  
Funding and Program Overview**

**Exhibit 1**

This document provides a brief program description of funds contained in the FY 2006-07 allocation. For complete information on the terms and conditions of all funds and programs, please refer to the State and County Combined Negotiated Net Amount (NNA) contract and Drug Medi-Cal (DMC) contract and/or applicable program funding agreement.

**STATE GENERAL FUNDS (SGF)**

**SGF DMC Regular – \$66.6 Million**

Through an interagency agreement with the California Department of Health Services, the Department of Alcohol and Drug Programs (ADP) administers, manages, and finances the DMC program through contracts with counties and/or DMC providers. These funds are available to counties to meet the cost of DMC services for Medi-Cal beneficiaries.

The Federal Financial Participation (FFP), the federal share of non-minor consent DMC services is 50%. Minor consent services are funded 100% through SGF.

NOTE: Beginning in FY 2000-01, the levels of funding for the DMC program has been determined using caseload estimates. Therefore, the appropriation may be adjusted during the year based on the following factors: caseload, rates, services, and utilization patterns.

**State-Operated DMC Services (Direct Contracts)**

Any SGF DMC funds allocated to a county that elects not to, or fails to, contract with interested DMC providers to furnish DMC-covered services to eligible DMC beneficiaries will revert to ADP. ADP will, in turn, use the county's SGF DMC funds to contract directly with certified DMC providers in that county for these services.

**Regular SGF Ongoing – \$5.8 Million**

These funds are available to counties to meet the cost of alcohol and other drug (AOD) services. These funds cannot be used to match FFP in the DMC program.

**SGF DMC Perinatal – \$3.3 Million**

These funds are available to pay for DMC services for Medi-Cal beneficiaries who are pregnant or within the prescribed postpartum period. Eligibility for these services ends on the last day of the calendar month in which the 60<sup>th</sup> postpartum day occurs.

NOTE: Beginning in FY 2000-01, the levels of funding for the DMC program has been determined using caseload estimates. Therefore, the appropriation may be adjusted during the year based on the following factors: caseload, rates, services, and utilization patterns.

**FISCAL YEAR (FY) 2006-07  
BUDGET ACT ALLOCATION  
Funding and Program Overview**

**Exhibit 1**

State-Operated Perinatal DMC Services (Direct Contracts)

Any Perinatal SGF DMC funds allocated to a county that elects not to, or fails to, contract with interested DMC providers to furnish DMC covered services to eligible DMC beneficiaries will revert to ADP. ADP will, in turn, use the county's Perinatal SGF DMC funds to contract directly with certified DMC providers in that county for these services.

**Perinatal SGF Ongoing – \$17.0 Million**

Perinatal SGF Ongoing funds are for programs that serve pregnant and parenting women and their children through age 17. These funds cannot be used to match FFP in the DMC program and are subject to the requirements set forth in the *Perinatal Services Network Guidelines*. The *Perinatal Services Network Guidelines* can be found on the Department's Web site at [www.adp.ca.gov/sitemap.shtml](http://www.adp.ca.gov/sitemap.shtml).

Alpine County elected not to participate in this program and did not receive Perinatal SGF funds.

**Women and Children's Residential Treatment Services (WCRTS) – \$6.4 Million**

There are nine perinatal AOD treatment programs that were created with grants (since expired) from the federal Center for Substance Abuse Treatment. WCRTS funds are subject to the requirements set forth in the *Perinatal Services Network Guidelines*. These funds cannot be used to match FFP in the DMC program. Counties providing these services and the corresponding allocations are:

<u>County</u>	<u>Agency</u>	<u>Program</u>	<u>Amount</u>
1. Alameda	East Bay Recovery	Project Pride	\$ 764,114
2. Los Angeles	Shields	Exodus	\$ 794,948
3. Los Angeles	So. Cal Alcohol and Drug	La Casita	\$ 600,276
4. Los Angeles	Prototypes	Prototypes	\$ 974,338
5. Marin	Center Point	Life Link	\$ 809,473
6. San Diego	Mental Health Systems	Family Recovery	\$ 615,524
7. San Francisco	Jelani House	Jelani House	\$ 202,551
8. San Joaquin	Family Ties	Family Ties	\$ 910,202
9. San Luis Obispo	Life Steps	Pasos de Vida	\$ 736,574

The WCRTS funds are exempt from the 10% county match requirement. This exemption only applies to state funding that replaces the expired federal grants and not to any subsequent program expansion.

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BUDGET ACT ALLOCATION  
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**REIMBURSEMENTS**

**Parolee Services Network – \$10.7 Million**

The California Department of Corrections and Rehabilitation continues to make funds available during FY 2006-07 for drug and alcohol treatment and recovery services for men and women paroled to the community from State prisons. These services are available in the counties of: Alameda, Contra Costa, Fresno, Kern, Los Angeles, Marin, Napa, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Mateo, Santa Clara, Solano, and Sonoma.

**FEDERAL TRUST FUNDS**

Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds Catalog of Federal Domestic Assistance number 93.959) are provided by the Substance Abuse and Mental Health Services Administration. The Federal Fiscal Year (FFY) 2007 Block Grant Award number has not been released. The FY 2006-07 Budget Act Allocation includes funds from the FFY 2007 SAPT award. SAPT funds from the FFY 2007 award will be available October 1, 2006; they must be obligated and expended by June 30, 2008.

**FFY 2005 Ongoing SAPT Reduction**

The FFY 2005 SAPT Block Grant Award was reduced by \$510,614 on a permanent basis. ADP had sufficient funds to absorb this reduction in FY 2004-05 and FY 2005-06. In FY 2006-07 ADP does not have sufficient funds to absorb this reduction, which will result in a \$464,614 ongoing reduction to county allocations. ADP State Operations will be reduced by \$46,000.

The Prevention Set-Aside was reduced by \$102,123 to meet the mandated 20% minimum share of the SAPT Block Grant Award. The Human Immunodeficiency Virus (HIV) Set-Aside was reduced by \$25,531 on an ongoing basis in FY 2004-05 to meet the mandated five percent share of the SAPT Block Grant Award. The remaining \$336,960 reduction will be distributed proportionately to SAPT Discretionary, Female Offender Treatment Services, Perinatal, Adolescent and Youth Treatment Services, and Special Projects funds. Substance Abuse Treatment and Testing Accountability (SATTA) funds are excluded from the reduction.

The \$35,998 ongoing Perinatal Set-Aside reduction from the FFY 2005 SAPT reduction will be distributed as an additional one-time reduction to SAPT Discretionary funds in FY 2006-07. This one-time offset of the Perinatal Set-Aside reduction is due to the difficulty of restoring Perinatal programs once they have been closed.

**FISCAL YEAR (FY) 2006-07  
BUDGET ACT ALLOCATION  
Funding and Program Overview**

**Exhibit 1**

**FFY 2006 Ongoing SAPT Reduction**

The FFY 2006 SAPT Block Grant Award was reduced by \$2.412 million on a permanent basis. This will result in a \$2.2 million reduction to the FY 2006-07 county allocations from the FFY 2007 award. ADP State Operations will be reduced by \$212,000. The Prevention Set-Aside will be reduced by \$482,400 to meet the mandated 20% minimum share of the SAPT Block Grant Award. The HIV Set-Aside will be reduced by \$120,596 to meet the mandated five percent share of the SAPT Block Grant Award. The remaining \$1.6 million reduction will be distributed proportionately to SAPT Discretionary, Female Offender Treatment Services, Perinatal, Adolescent and Youth Treatment Services, and Special Projects funds. SATTA funds are excluded from the reduction.

The \$170,625 ongoing Perinatal Set-Aside reduction from the FFY 2006 SAPT reduction will be distributed as an additional one-time reduction to SAPT Discretionary funds in FY 2006-07. This one-time offset of the Perinatal Set-Aside reduction is due to the difficulty of restoring Perinatal programs once they have been closed.

**SAPT Discretionary – FFY 2007 Award \$132.4 Million**

**SAPT Discretionary – Base Allocation \$134.2 Million**

**SAPT Discretionary – FFY 2005 Award Ongoing Reduction \$283,333**

**SAPT Discretionary – FFY 2006 Award Ongoing Reduction \$1.3 Million**

**SAPT Discretionary – FFY 2005 Award One-time Reduction (Perinatal Offset) \$35,998**

**SAPT Discretionary – FFY 2006 Award One-time Reduction (Perinatal Offset) \$170,625**

SAPT Discretionary funds are for substance abuse treatment, prevention, and recovery services, as well as for specific populations, such as youth or pregnant and parenting women. Terms and conditions for use of the SAPT Block Grant funds are incorporated into the NNA contracts for FY 2006-07.

**Prevention Set-Aside – FFY 2007 Award \$47.4 Million**

**Prevention Set-Aside – Base Allocation \$47.9 Million**

**Prevention Set-Aside – FFY 2005 Award Ongoing Reduction \$102,123**

**Prevention Set-Aside – FFY 2006 Award Ongoing Reduction \$482,400**

Federal law requires that a minimum of 20% of the SAPT Block Grant be expended on primary prevention services.

The FY 2005-06 one-time \$500,000 Prevention Set-Aside reduction for the Technical Assistance for Prevention Outcomes and Measurements contracts has been restored to the Prevention Set-Aside base.

**FISCAL YEAR (FY) 2006-07  
BUDGET ACT ALLOCATION  
Funding and Program Overview**

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**Friday Night Live (FNL) – FFY 2007 Award \$552,000**

The FNL program is designed to prevent alcohol and other drug use among teenagers through activities including community action, assemblies, and leadership training. FNL is supported by SAPT Primary Prevention Set-Aside funds and is designated as a prevention program. Federal law and regulations establish the requirements for expending these funds. Funding is available in FY 2006-07 for counties who wish to establish a FNL program. ADP reminds the counties that currently do not receive FNL funds to submit their request with their V.1 Budget Amendments within 60 days of this Budget Act Allocation. ADP has allocated \$549,000 for this program. The balance of \$3,000 is retained at ADP for distribution to counties who elect to establish a program.

**Club Live (CL) – FFY 2007 Award \$552,000**

The CL prevention program is supported by SAPT Primary Prevention Set-Aside funds and is designated to fund prevention services. The program is an extension of FNL and is aimed at middle school-age students. Federal law and regulations establish the requirements for expending these funds. Funding is available in FY 2006-07 for counties who wish to establish a CL program. ADP reminds the counties that currently do not receive CL funds to submit their request with their V.1 Budget Amendments within 60 days of this Budget Act Allocation. ADP has allocated \$549,000 for this program. The balance of \$3,000 is retained at ADP for distribution to counties who elect to establish a program.

**HIV Set-Aside – FFY 2006 Award \$12.5 Million**

**HIV Set-Aside – Base Allocation \$12.6 Million**

**HIV Set-Aside – FFY 2006 Award Ongoing Reduction \$120,596**

Federal law requires that a minimum and maximum of five percent of the total SAPT Block Grant award be expended on HIV early intervention services for AOD clients in treatment programs. HIV early intervention services must be made available to individuals in an AOD treatment program at the treatment site. HIV early intervention services may be provided at other locations, including satellite treatment sites. Services at these sites can be funded by the SAPT HIV Set-Aside if HIV early intervention services are also available at the AOD treatment site. For complete information on HIV Set-Aside expenditure requirements, please refer to ADP Bulletin 04-12 located at [www.adp.ca.gov](http://www.adp.ca.gov), under Alcohol/Drug Programs .

**FISCAL YEAR (FY) 2006-07  
BUDGET ACT ALLOCATION  
Funding and Program Overview**

**Exhibit 1**

**Perinatal Set-Aside – FFY 2007 Award \$17.1 Million**

**Perinatal Set-Aside – Base Allocation \$17.1 Million**

**Perinatal Set-Aside – FFY 2005 Award Ongoing Reduction \$35,998**

**Perinatal Set-Aside – FFY 2006 Award Ongoing Reduction \$170,625**

**Perinatal Set-Aside – FFY 2005 Award One-time Offset \$35,998**

**Perinatal Set-Aside – FFY 2006 Award One-time Offset \$170,625**

The Perinatal program is part of the Perinatal Services Network and is subject to the requirements set forth in the *Perinatal Services Network Guidelines, (2004)*. Counties must use these funds to increase or maintain existing perinatal AOD treatment capacity and programs. Counties may also use the SAPT Perinatal Set-Aside funds to expand capacity in existing perinatal programs, add new perinatal services or programs, and change existing programs.

**Female Offender Treatment Services – FFY 2007 Award \$637,190**

**Female Offender Treatment Services – Base Allocation \$645,000**

**Female Offender Treatment Services – FFY 2005 Award Ongoing Reduction – \$1,360**

**Female Offender Treatment Services – FFY 2006 Award Ongoing Reduction \$6,450**

This program is designed to provide six months of continuous residential alcohol and drug treatment for women who are paroled from the Forever Free program at the California Institution for Women. The four participating counties are Los Angeles, Orange, Riverside, and San Bernardino. Other women on community parole may receive Female Offender Treatment program services on a case-by-case basis if the Forever Free program under utilizes the funding. ADP has allocated \$636,830 for this program.

**Special Projects/Media Campaign – FFY 2007 Award \$284,501**

**Special Projects/Media Campaign – Base Allocation \$288,000**

**Special Projects/Media Campaign – FFY 2005 Award Ongoing Reduction \$614**

**Special Projects/Media Campaign – FFY 2006 Award Ongoing Reduction \$2,885**

Funds for special projects are allocated to: Alameda County, for the African American Women's Media Campaign (\$27,500); Los Angeles County, for the Alcohol Center for Women (\$95,000), the Hispanic Women's Media Campaign (\$65,000), and the African American Women's Media Campaign (\$27,500); and Modoc County, for the Indian Health Project (\$25,000).

The SAPT reductions to Special Projects/Media Campaign reflected in the FFY 2007 Award allocation were applied to the amount of unallocated funds for FFY 2007. None of the above project amounts have changed from prior years.

**FISCAL YEAR (FY) 2006-07  
BUDGET ACT ALLOCATION  
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**Adolescent Youth Treatment Program – FFY 2007 Award \$7.3 Million**

**Adolescent Youth Treatment Program – Base Allocation \$7.4 Million**

**Adolescent Youth Treatment Program – FFY 2005 Award Ongoing Reduction \$15,655**

**Adolescent Youth Treatment Program – FFY 2006 Award Ongoing Reduction \$74,201**

SAPT Adolescent and Youth Treatment funds are to provide comprehensive, age-appropriate AOD services to youth. The *Youth Treatment Guidelines* released by ADP in September 2002, are designed for counties to use in developing and implementing youth treatment programs funded by this allocation.

**SATTA Program – FFY 2007 Award \$8.6 Million**

In accordance with the SATTA program, \$8.6 million is allocated for FY 2006-07 for drug testing. SATTA funds may be used for drug testing Substance Abuse and Crime Prevention Act clients and for other purposes allowed under the federal SAPT Block Grant.